

Opening Statement of the Honorable Ed Whitfield
Subcommittee on Energy and Power
Hearing on “Discussion Drafts Addressing Hydropower Regulatory Modernization and
FERC Process Coordination under the Natural Gas Act”
May 13, 2015

(As Prepared for Delivery)

This morning we will discuss two additional components of our bipartisan energy package that deal with hydroelectric power and natural gas. Our goal is to help unleash the potential of these affordable domestic energy sources by modernizing the applicable regulatory process at the Federal Energy Regulatory Commission (FERC). If ever there were such a thing as bipartisan energy sources, hydroelectric and natural gas would be at the top of the list, so I look forward to working with all of my colleagues to minimize the red tape and maximize the benefits of these two sources for the sake of affordable energy, the environment, national security, job creation, and economic growth.

Hydroelectric is a source of clean, reliable, and affordable power, yet the federal process for licensing new capacity or relicensing existing capacity is considerably more cumbersome than for other renewable sources. Congress has long recognized the need to upgrade the process in order for hydroelectric power to meet its full potential. But as it is, even relatively small hydroelectric projects, including ones that would electrify existing dams with negligible environmental change, are often subjected to years of delays that can prevent these projects from getting off the ground. And relicensing of existing hydroelectric facilities can be more of a hurdle than it needs to be.

The discussion draft establishes FERC as the exclusive authority on hydroelectric licensing and includes several provisions to eliminate redundant and unnecessary requirements and put the review process on a reasonable schedule. It also encourages the creation of new hydroelectric power from existing non-powered dams by providing a licensing exemption for qualifying facilities. In all cases, the environmental and safety requirements for these facilities will be maintained.

In the words of Woody Guthrie in his song, “Roll on Columbia”:

And up on the river is the Grand Coulee Dam,
The mightiest thing ever built by a man,
To run these great factories and water the land,
It's roll on, Columbia, roll on.
This discussion draft helps carry on Woody Guthrie's work.

Now Woody Guthrie never sang about natural gas, but FERC is also involved in the approval process for interstate natural gas pipelines, and the problems are much the same as with hydroelectric power – a slow and unpredictable approval process that is out of touch with America's energy needs today. This is particularly true of natural gas given the tremendous increases in domestic output over the last decade.

Getting that gas to the power plants and factories and consumers that need it will require new pipelines as well as upgrades of existing pipelines. In fact, this was a major point in the Department of Energy's Quadrennial Energy Review (QER). The QER was clear that a more streamlined permitting process will help to build this new natural gas infrastructure. In particular, the current approval process is especially hampered by the involvement of multiple agencies and no clear deadlines. A December 2012 study conducted by the INGAA Foundation found that delays of more than 90 days have risen 28 percent after EPCRA's permitting reforms, while delays of 180 days or more have risen 20 percent.

The discussion draft puts FERC firmly in charge and gives it the authority to enforce firm deadlines. Additional provisions prevent other unnecessary delays. And, as with the hydroelectric provisions, this discussion draft aims to modernize the review process in a manner that maintains all existing environmental and safety standards.

The hydroelectric and natural gas pipeline projects enabled by these discussion drafts will create a great many construction jobs. In addition to, the affordable energy produced by them will create still more jobs. It is time for the U.S. to make full use of our energy bounty, and these two discussion drafts are a strong step in that direction.

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